

Congress of the United States
Washington, DC 20515

September 30, 2009

The Honorable Charles Rangel
Chairman
Committee on Ways and Means
U.S. House of Representatives
1102 Longworth HOB
Washington, DC 20515

The Honorable Dave Camp
Ranking Member
Committee on Ways and Means
U.S. House of Representatives
1139E Longworth HOB
Washington, DC 20515

Dear Chairman Rangel and Ranking Member Camp:

With your past support, Congress enacted the extremely beneficial Gulf Opportunity Zone ("GO Zone") Act of 2005 in the immediate aftermath of Hurricanes Katrina and Rita. Two key provisions of that act have been critical to the revitalization of affected "GO Zone" disaster areas: the special Historic Tax Credit (HTC) and bonus depreciation tax incentives. We write to urge the House Ways and Means Committee to extend these provisions for an additional one year and to allow carryover allocations for the use of the HTC to provide the business and financial communities with sufficient opportunity to complete the redevelopment efforts within the GO Zone.

The special HTC tax incentive has been helpful in leveraging enhanced private investment in the devastated GO Zone areas. For example, during the period from 2006 through 2008, qualified historic rehabilitation expenditures increased by 240 percent within the GO Zone. This generated more than 8,000 jobs throughout the region. Without Congressional action to extend the HTC, it will expire at the end of 2009. To ensure the intended usefulness of the special HTC credit, we urge the enactment of a legislative provision (similar to Low Income Housing Tax Credits) that would all expenditures on an HTC project commenced before the HTC sunset date to qualify for the full 26 percent HTC credit, provided that at least 10 percent of the related "qualified rehabilitation expenditures" are made by that date. Similarly, the bonus depreciation tax incentive has proven effective in jump-starting key redevelopment efforts in those hardest-hit areas of the GO Zone, and continuation of these vital incentives for an additional one year is critical to further recovery efforts.

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As Members of Congress representing these devastated GO Zone areas, we respectfully request your support in extending the special HTC and bonus depreciation tax incentives and to enact the modified HTC expenditure rule. Such legislation would provide additional time and certainty required by the investment and redevelopment communities to further revitalize the Gulf Coast region.

Sincerely,



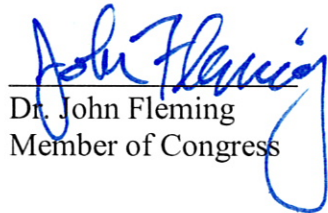
Steve Scalise
Member of Congress



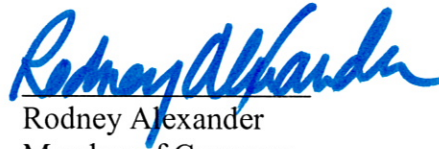
Anh "Joseph" Cao
Member of Congress



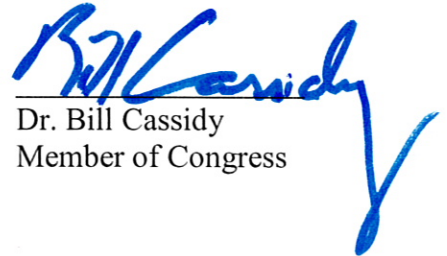
Charlie Melancon
Member of Congress



Dr. John Fleming
Member of Congress



Rodney Alexander
Member of Congress



Dr. Bill Cassidy
Member of Congress